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SUBJECT: MEDIA REACTION; WHITE HOUSE DELEGATION TO BUENOS AIRES;
BRIAN O'NEILL AT THE US TREASURY DEPARTMENT; IRAN; 10/26/07

1. SUMMARY STATEMENT

Major international stories today are focused on post-election economic discussions between the U.S. and Argentina; implications of Brian O'Neill replacing Nancy Lee at the US Treasury Department; and increasing tension between the US and Iran.

2. OPINION PIECES AND EDITORIALS

- "A US mission will arrive in Buenos Aires after the Argentine presidential elections"

Marcelo Bonelli, economic columnist of leading "Clarín," writes (10/26) "The White House will be sending a secret mission to Buenos Aires to assess the economic situation and start negotiations with the president-elect..."

"The goal is to open an informal dialogue with the elected authorities and to clearly articulate the White House position on relations between the US and the future administration. The trip is aimed at normalizing an almost frozen relationship following the Mar del Plata SOA.

"The date of the visit is before November 15, a decision based on the conviction that First Lady Cristina Fernandez de Kirchner will win the presidency in the first round..."

"... This mission will coincide with Argentina's intention to pay off its Paris Club debt and reestablish talks with the IMF..."

"Economy Minister Miguel Peirano, meanwhile, is quoted as having told IMF managing director Dominique Strauss-Kahn last week that paying Argentina's 6.6 billion dollar debt with the Paris Club in one go 'is not a possibility.'"

- "Brian O'Neill will be the interlocutor between the US Treasury and Argentina"

Hugo Alconada Mon, Washington-based correspondent for daily-of-record "La Nación," comments (10/26) "The current government and the government taking office in December will have to deal with a new officer at the Treasury Department in the complicated negotiations with the IMF and the Paris Club..."

"The Treasury Department reported that banker Brian O'Neill will replace Nancy Lee as Deputy Assistant Secretary for Latin America..."

"... The position the U.S. takes on the IMF Board will be crucial for the next Argentine Government to be able to get through the hurdles of going to the Paris Club. It will also be very important

within the Club when it has to come to a consensus with the other member-countries."

- Increasingly closer to an attack"

Hugo Alconada Mon, Washington-based correspondent for daily-of-record "La Nacion," comments (10/26) "During this summer, US President George W. Bush ordered his ambassador to Iraq, Ryan Crocker, to convey a special message to Iranians... The message was crystal clear - stop interfering in Iraq or you will face US retaliation.

"According to the White House, Iran is responsible for most of the Iraqi chaos. They foster the civil war between Shiites and Sunnis and they should also be blamed for most of the US casualties in Iraq. According to the US, Iranians teach insurgents how to manufacture explosive devices based on the material they themselves send across the border when they do not train them in their own country...

"In this way, in the view of the Bush administration, the offensive against Iran gradually changed from a non-proliferation-centered speech... to another that is more focused on the typical counterterrorism vision.

"(Secretary) Condoleezza Rice's staff has justified the package of sanctions based on the fact that they will further Iran's international isolation and they trust that the UN Security Council will end up approving a more blunt third resolution, and that this will finally twist Tehran's arm.

"... The increasing tension will allow the Iranian regime to reduce the opposition and unify the domestic front to face the US threat."

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